
Introduced by Senator Florez

February 3, 2005

An act to amend Section 53260 of the Government Code, relating to local employment contracts.

LEGISLATIVE COUNSEL'S DIGEST

SB 142, as introduced, Florez. Local government employment contracts

Existing law provides that if an employment contract between an employee and a local agency employer is terminated, the maximum cash settlement that an employee may receive is an amount equal to the monthly salary of the employee multiplied by the number of months left on the unexpired. If the unexpired term exceeds 18 months, the maximum cash settlement is an amount equal to the monthly salary multiplied by 18.

This bill would instead provide that if the unexpired term exceeds 6 months, the maximum cash settlement shall be an amount equal to the monthly salary multiplied by 6.

Vote: majority. Appropriation: no. Fiscal committee: no.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 53260 of the Government Code is
2 amended to read:
3 53260. (a) All contracts of employment between an employee
4 and a local agency employer shall include a provision which
5 provides that regardless of the term of the contract, if the contract
6 is terminated, the maximum cash settlement that an employee
7 may receive shall be an amount equal to the monthly salary of

1 the employee multiplied by the number of months left on the
2 unexpired term of the contract. However, if the unexpired term of
3 the contract is greater than ~~18~~ 6 months, the maximum cash
4 settlement shall be an amount equal to the monthly salary of the
5 employee multiplied by ~~18~~ 6.

6 (b) (1) Notwithstanding subdivision (a), if a local agency
7 employer, including an administrator appointed by the
8 Superintendent, terminates its contract of employment with its
9 district superintendent of schools that local agency employer may
10 not provide a cash or noncash settlement to its superintendent in
11 an amount greater than the superintendent's monthly salary
12 multiplied by zero to six if the local agency employer believes,
13 and subsequently confirms, pursuant to an independent audit, that
14 the superintendent has engaged in fraud, misappropriation of
15 funds, or other illegal fiscal practices. The amount of the cash
16 settlement described in this paragraph shall be determined by an
17 administrative law judge after a hearing.

18 (2) This subdivision applies only to a contract for employment
19 negotiated on or after the effective date of the act that added this
20 subdivision.

21 (c) The cash settlement formula described in subdivisions (a)
22 and (b) are maximum ceiling on the amounts that may be paid by
23 a local agency employer to an employee and is not a target or
24 example of the amount of the cash settlement to be paid by a
25 local agency employer to an employee in all contract termination
26 cases.